

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

BANCO SAN JUAN INTERNACIONAL, INC.,

Plaintiff,

v.

THE FEDERAL RESERVE BANK OF NEW YORK
AND THE BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

Defendants.

Case No. 1:23-cv-06414-JGK

DECLARATION OF MARCELINO BELLOSTA VARADY

DECLARATION OF MARCELINO BELLOSTA VARADY


I, Marcelino Bellosta Varady, declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that to the best of my knowledge, the following is true and correct:

I. INTRODUCTION

1. I am over 21 years of age. I have personal knowledge of the facts and matters attested to in this Declaration, and I am competent to be a witness as to the facts and matters attested to in this Declaration.
2. I am the 100 percent shareholder and a director of Banco San Juan Internacional (“BSJI”) and have been since its formation in 2011. Reflecting my international upbringing, I am a national of and carry passports from Spain, Venezuela, and Hungary.
3. By way of background, I obtained a Bachelor of Science Degree in Business Administration and Finance, and a Bachelor of Arts Degree in Economy from Northeastern University in 2003, where I attended from 1999 until the time I matriculated. I then attended from 2003 to 2005, and obtained a Masters’ Degree from, ESADE Business School in Barcelona, Spain.
4. I thereafter worked at Casa Propia, Entidad de Ahorro y Prestamo, S.A., in Venezuela, implementing a core system banking migration program, from late 2005 until early 2009.
5. In 2009, I moved to Spain and traveled frequently among Madrid, Barcelona, and Miami. During this time, I worked with counsel in the hopes of acquiring either a bank in the United States or otherwise acquiring a bank in Europe.
6. After considerable due diligence both by us and the local regulator, we were eventually approved in 2010 to manage an international banking entity to be formed under the laws of Puerto Rico. The entity, named BSJI, started operations in July 2011.

7. From 2011 to 2016, my residence was in Miami, Florida, rather than Puerto Rico, so that I might travel more easily to generate business for BSJI. I did, however, travel frequently to Puerto Rico during this time.
8. In 2016, I moved to Puerto Rico and established a residence there. Notwithstanding frequent travel, most especially between the United States and Europe, I continue to reside in Puerto Rico, where I raise my two daughters, ages 9 and 6, alone (I lost my wife to cancer), and where several of my siblings, nieces and nephews reside.
9. I have been FINRA registered for years; have taken Board Member compliance courses both in the United States and in Europe; and regularly keep up to date as to appropriate developments in the law and in the banking business to better enable me to fulfill my fiduciary obligations to the institution.
10. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] If this is accurate, and if being partially Venezuelan is a ground to terminate rights otherwise granted by the FRBNY, I believe it is both unfair and unreasonable because one's nationality is not indicative of either the person's business acumen or integrity or of the institution's ability to function in accordance with all applicable law and industry standards. In the case of BSJI, we have gone to extraordinary lengths, and have expended enormous resources, to bring in the best personnel and outside consultants to develop and implement an appropriate system of controls and governance. Further, in the last quarter century, I have spent far more time in Europe and in the United States than in Venezuela, having resided in Venezuela for just three and a half years during this time period. Even as a child, I received some of my middle school and high school education outside of Venezuela, both in Clermont-Ferrand, France, and in Northfield Mount Herman, near Springfield, Massachusetts.

11. I am committed to ensuring the business integrity of BSJI and trust BSJI's management to carry out its obligations with professionalism and with care. Given our strong capital position and our commitment of resources to enhance our controls and compliance system over the last several years, we are confident that we pose no "undue risk" to the FRBNY.

 July 21, 2023
Marcelino Bellosta Varady Date